

IURC News Release

Indiana Utility Regulatory Commission
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IURC GRANTS EMERGENCY RATE ADJUSTMENT REQUESTED BY MICHIGAN CITY WATER WORKS

Today, the Indiana Utility Regulatory Commission approved a settlement agreement between the Indiana Office of Utility Consumer Counselor (OUCC) and the Water Works Department of Michigan City that will result in an emergency rate adjustment.

In Cause No. 42517, the Commissioners heard evidence presented in the settlement that supports the emergency status of the request, and determined it was necessary to move quickly to ensure the fiscal stability of the utility.

This interim order is intended to help the water company overcome financial obstacles it faces in the short term, which include increased payroll and maintenance expenses.

At this time, Michigan City Water is authorized to raise its rates by 22-percent. The table below shows the impact on customers.

Gallons	Present Rate	New Emergency Rate	\$ Increase	% Increase
5,000	\$ 14.46	\$ 17.66	\$ 3.21	22%
7,500	\$ 19.55	\$ 23.89	\$ 4.34	22%

The Commission will now move on to hear evidence in the utility's primary rate case. The rates may be adjusted up or down after the IURC considers the merits of the entire case presented by the utility. There will be an evidentiary hearing in Indianapolis on February 11, 2004.

Michigan City's Municipal Water Company provides service to nearly 12,000 customers in and around Michigan City, Indiana, including utilities in Michiana, Michigan and Long Beach, Indiana.

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